3:Chao E-5 (1939-1941)1948 AF12 North China AF12

of education of village children. The field of village politics in action was taken up by our assistant and another senior student. The work had not been completed when both of them left the university in 1947, but from their record of observation, we began to understand the process of struggle for power among ambitious individuals in the administrative district where our village is located.

One interesting point might be noted in connection with the method of investigation. As social studies are largely a matter of interaction of the observer and the group observed, the individuals whom the observer has most contact with have very much to do with the records of observation of the investigator. The difference between our first contacts with the village in the pre-war days, and later in the post-war days, is that whereas in the former, we had to depend upon our "liaison man", the school principal, in the latter, we are in direct contact with the villagers. After many years of absence, the nature of the first contact is important in the fact that the villagers are conscious that we are their friends, directly intimate and personal and not indirectly through the school principal. We have very little difficulty in approaching any family in the village, and our contact may thus not be unnecessarily conditioned by an intermediary. If contacts have to be conducted with the assistance of a liaison man, friends and enemies of his would be, though unintentionally, also ours, at least we would be so regarded by the villagers. Many sociological and anthropological field workers have not observed this principle and their studies are necessarily biased to that extent.

The most noticeable changes in the village on our first revisit, were the new faces we met on the streets. During the interval of four years, children had grown into young boys and girls. When we went into homes of villagers, we also noted the absence of some of our old acquaintances, as well as the presence of new faces. A couple of aged persons passed away during the war years. Quite a number of girls had grown up and had left to be married. Naturally, about the same number of young married women had come in. These are the natural events in the social metabolism of a community.

After a closer observation, we could hardly avoid the impression of a general economic dilapidation in many village homes. The reduction in the number of ducks and chickens was very noticeable. One of the two duck-raising families was out of business. The family could hardly find sufficient means for the minimum subsistence. But certain families were quite prosperous, and had at least maintained

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735 their former condition. The monetary inflation was accelerated in
556 the last years of the war. Those who had little reserve were very
558 hard hit. Some of the clever rich had profited. The short period of price-falling, immediately after the war, had a bad effect on those who had full confidence in the government, when the inflation came back again even at a more rapid rate of acceleration.

565 Members of the richest family were not in the village. They
556 looked for and lived in cities, as places of security and merriment.
427 Their house and farm were in the hands of two old laborers. These
463 two old laborers of the house became managers of the farm and hired other laborers for the work. The relation of the two laborers to members of the house was one not merely economic in nature, but something personal. The rent of the land was not fixed but varied from year to year at the good will of the managing-laborers. The house was very much dilapidated which was a sign of negligence on the fact of the managing-laborers, and the scant attention paid by the proprietors to their property. The relation of the two groups of laborers was interesting. The manager-laborers had not sufficient time to assume the attitude of a managing-farmer. They commanded the respect of the hired laborers, not so much by their authority, but rather because of their skill in farming.

621 The major effect of the end of the war was the change in the
662 formal political machinery, and the consequential shift in its person-
622 nel. The *pao-chia* system was there when we first revisited the village, but the *fang-li* system and the *Hsin Min Hui* were no longer in existence. The school principal became the deputy head of the *lien-pao* together with new heads of the six old *chia*. Beneath this superficial structure was the struggle for power between two groups. An ambitious duet of father and son wanted to control the *lien-pao*. They organized a group of self-protection militia with the explicit purpose of strengthening the protection of life and property in the local district. They utilized external influence to oust the head, and the deputy head, of the *lien-pao* by accusing them as collaborators of the enemy.

Amidst this struggle for power came a mishap to the deputy head, and his removal from the position of school principal. Whether his removal had anything to do with the political struggle was not known, but following this removal he resigned his office of deputy head. The whole episode was certainly a blow to Mr. H. As we may recall, Mr. H. had the ambition to restore the status

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124 Thus, the two investigators went their rounds to these families every day, except Sunday, for seven months and recorded their daily accounts with care and diligence. During the months that the inquiry was conducted, the investigators met the field secretary once every week, presenting their books for scrutiny and criticism and discussing with him questions that arose in the course of their work. Discrepancies that were discovered in the books were either at once corrected after thorough discussion or to be ascertained later by the investigators. In this way were the books kept under supervision continuously for seven months. According to what was arranged, the inquiry ought to have been concluded in March, 1927 but it was found necessary to prolong one more month as some accounts taken in October, 1926, were incomplete and had to be rejected. Altogether 362 books were returned, but excluding those which were either incomplete or inadequate for our purpose either on account of the composition of the family or the nature of the income, only the accounts of forty-eight families, aggregating 288 books in all, were selected for analysis and computation.

During the period of the inquiry, a gift of 100-150 coppers was made to each family every month as compensation for the trouble its members had to take every day. Now as the gift for the six months amounted only to $2.00 to each family, its effect on the families would, therefore, hardly be so much as to change their standard of living. Apart from the gift in money, toys were also presented to the children on festival and new year days, their value being, as a rule, only ten or twenty cents.

565 735 While the social aspects of the working families under investigation will be treated in a later chapter, it would be of interest at this juncture to consider their status and see what social or economic class in Peking they may claim to represent. According to an estimate made by the Peking Police Department in December, 1926, the families of the Metropolis were classified under five economic groups and distributed in the following manner.

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Table 1.—Distribution of Families in Peking, by Economic Classes

Class	Peking City	Suburbs	Total
The destitute	24,037	18,946	42,982
The poor	9,730	13,890	23,620
The lower middle	92,394	28,043	120,437
The comfortable	37,559	19,433	56,992
The well-to-do	6,618	3,732	10,350
All Classes	170,338	84,044	254,382

It should be observed that the classification is arbitrary and the classes are not so distinct as they seem to appear. First of all, as far as we can gather, no clear and official definition seemed to have been given to the classes. And it is doubtful if the families were all entered properly in their respective classes, since the enumerator was not guided by any well-defined conception of economic classes. However, these figures may be taken as on the whole approximate, because the estimate was made by the police authorities with a view to studying the extent of poverty in Peking—the estimate being made once every year in early winter—and to planning out relief work in winter months. Accordingly the destitute were understood as absolutely penniless and having no means of livelihood, the poor as those whose incomes are insufficient even for the bare subsistence of their members unless they are supplemented by gifts or relief, and the lower middle class as those whose incomes are narrowly sufficient to cover their daily living expenses. Such being the general, though somewhat crude, conceptions of the three lower classes, it is interesting to note, however, that the poor and the lower middle classes, according to the estimation of the police, correspond roughly to the "primary poverty" and "secondary poverty" classes of Mr. Seebohm Rowntree.[1]

[1] See *Poverty: A Study of Town Life*, Chapter IV, London, 1901. Those live in primary proverty "whose total earnings are insufficient to obtain the minimum necessaries for the maintenance of merely physical efficiency," and in secondary poverty "whose total earnings would be sufficient for the maintenance of merely physical efficiency were it not that some portion of it is absorbed by other expenditure, either useful or wasteful."

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565 735 The question may now be raised as to where our forty-eight families belong. If the receiving of relief be used as a criterion to determine the classification of families, it is clear that, since thirty-two of the families have received relief from one charitable agency or another, two-thirds of them belong to the poor class while the remaining third are of the lower middle class. Yet it may be urged that the receiving of relief is sometimes invalid as a criterion, for it is often found impossible to tell whether all those who receive relief are really deserving or whether those independent of charity are capable of maintaining their subsistence adequately. It is commonly known that some poor people refuse to accept any relief even at the expense of privation and suffering simply because they consider it below their dignity to do so whereas many accept it as a matter of course, as the additional income would not involve any corresponding effort or labour on their part. The table of incomes in Appendix I shows clearly that the families receiving relief were not necessarily those with low incomes. From these observations it may be concluded that the receiving of alms or relief can hardly be relied upon as an adequate criterion to determine the economic status of the families.

431 565 735 In this connection, it is important to note the prominent place occupied by the presents and gifts in the family incomes. A perusal of the table of incomes[1] will find that the item of presents and gifts occurs in the account of every family. Excluding the families receiving less than four dollars during the six months, which amount we estimate as equivalent to the presents given by our investigators and those in kind given by relatives or friends, we find that twenty out of the forty-eight families had received presents, of which the value in money varied from four to twenty-two dollars. While they were all no doubt given to the families as presents, yet, strictly speaking, at least some of them seemed to partake of the nature of relief in the sense that the money or food was offered at one time or another to help tide over straitened circumstances. For in China, the sense of kinship being still held in high esteem, persons are obliged to offer assistance to

[1] See Appendix I.

5: Tao E-5 (1926-1927) 1928 AF12 North China AF12

565 735 431 their poor relatives, while in reality many of the presents thus offered are by no means different from relief, except that the donor is a relative or friend in the former case and a stranger or an agency in the latter case. It has also been found that the presents these families received far exceeded those given by them to others,[1] a noteworthy fact which clearly suggests that the presents in the former case should be understood as some measure of relief offered by close relatives or friends. Now if we follow this line of reasoning and classify under the poor class those families receiving presents amounting to more than four dollars during the six months, there would remain twenty-eight families which were really self-supporting.

565 735 434 Another way of determining the economic status of each family would be to study the earnings received by its members and see if they were sufficient to cover the total expenditure. It will be found from the foregoing table that while only fourteen of the families had sufficient income and also some surplus, thirty-four of them must have relied upon other sources of income, notably presents and relief, to make their ends meet.

As earnings constitute but a part of the total income of each family, its economic status may also be determined by the balance sheet of its total income and expenditure. Taking total income, instead of mere earnings, into consideration, one will find in Table 2 that the number of families with a surplus was appreciably greater. Of the forty-eight families, twenty-seven had each a surplus after their expenditures were met, while twenty-one were found to have each a deficit. Accordingly, it may be said that almost three-fifths of the families under investigation were above the poor class.

565 735 Obviously none of the above mentioned figures denoting the status of the families can be called conclusive. Yet they all seem to suggest that by and large the families are all on the margin of poverty. It appears that between twenty and twenty-eight families may be considered as of the lower middle class while the

[1] For Social Expenses, see Table 11 (in Chap. V.) or Appendix II.

5: Tao E-5 (1928-1937) 1928 AF12 North China AF12

remaining portion undoubtedly belong to the poor class. Consequently, our study of the living conditions of the forty-eight families may claim to represent that class of the working population in Peking which, bordering on the edge of poverty, is, according to circumstances, either dependent on some form of relief or just in a position to maintain a meagre existence.

In fact, this class constitutes an enormous portion of the Peking inhabitants, as it includes not only most of the unskilled and semi-skilled workers, such as street hawkers, handicraft workers, and rickshamen, but even some policemen of the lower rank, servants and assistants in small stores. According to a conservative estimate, at least 60,000 families or 270,000 inhabitants of Peking are living under such conditions as our study represents.

II.

The family budget inquiry of the Peking elementary school teachers was instituted in October, 1926. As almost all the elementary schools are under the control or supervision of the Bureau of Education of Peking, arrangement was therefore first of all made with the authorities of the Bureau to enlist teachers who would be willing to keep their daily accounts. A mimeographed leaflet describing the nature and importance of the study was circulated among different schools. As a result, sixty-six teachers, of whom four were women, volunteered to record their own accounts for a period not less than one month. They were then invited to a meeting in which account books were distributed and instructions given. As the account was to be kept only for the month of November, 1926, they were further requested to fill a separate sheet giving the estimate of various items of income and expenditure for the past twelve months, so that items which the month's account could not justly typify might be checked or readjusted according to the estimate of the year. Of the sixty-six teachers who volunteered to keep records, twenty-five returned their accounts promptly a few days after they were completed. After a careful examination of these accounts, twelve were found

7: Gamble S-5 (1926-1927) 1933 AF12 North China AF12

of losing $20 at New Year's, they were able to save $13 during the year. This they used to repay money they had borrowed, and even made a loan to another family. One family in the $200 group was given money by a group of gamblers who came to the house for their games. During a period of three months this amounted to $68.

CONTRIBUTIONS

The heading, "Contributions," *chuan hsiang,* includes money given to needy persons, gifts made to religious and charitable organizations, and amounts sent to parents or other relatives not members of the Peiping family group. House taxes originally were entered under this heading, as the Chinese families apparently consider them to be a form of contribution; but they were shifted from contributions to incidentals when the accounts were transcribed.

One hundred and thirty-nine families gave money to persons outside the family, or to organizations, or sent money to their relatives. Thirty-nine families reported sending money home. All had incomes of less than $100 a month. For 22 of these families, the money sent to relatives was the only contribution entry. One hundred and seventeen families gave money to people or organizations outside the family, but the amounts were relatively small. The money given to relatives amounted to 63.5 per cent of the total contribution expenditure; and was 86 per cent of the total for the families with incomes of less than $100 a month. The average total contributions, to family and others, varied, for the families reporting, from $4.10 for the $80 group and $4.55 for the $25 group, to $42 for the $90 group, and $52.65 for the $60

7: Gamble S-5 (1926-1927) 1933 AF12 North China AF12

group. For all the families in the income groups the averages ranged from $1.35 for the $80 group, to $34.85 for the $300 group, and $36.50 for the $70 group. For only eight groups, however, was the average more than $10 a year. For individual families, the amounts varied from 1 cent to $150, but for only four families was the amount over $100.

Contributions amounted to less than 1 per cent of the average expenditure for one-half of the income groups. For only three groups, was the amount more than 1.5 per cent of the budget. The maximum, the average for the $70 group, was 4.1 per cent. There seems to be some tendency for the proportion to decrease somewhat in the higher income groups, but the tendency is slight, the amounts involved are small, and the proportion could be considerably changed by a slight difference in the expenditure of one or two families. For the families reporting, the contribution expenditure averaged less than 3 per cent of the family budget for all but five income groups. Those five groups all had incomes of less than $80 a month. The maximum was 7 per cent for the $70 group. (Table 35.)

A study of the contributions other than those sent to relatives, brings out some interesting figures. Eighty-seven per cent of the 59 families with one or more Christian members, three of the four Mohammedan families, and 28 per cent of all the other families, gave money to needy persons, or to charitable or religious organizations. The average contribution per family reporting was $12 for the families with Christian members; $7.40 for the Mohammedan families; and $2.70 for the other families. In comparing these averages, however, it must be remembered that 47 per cent of the families with incomes of